

## Claim Amendments

1. through 9. (canceled)

10. (currently amended) ~~The method of claim 6~~ A method for securely distributing a cryptographic key, said method comprising the steps of:

compressing a transport key to form a compressed transport key;

combining the cryptographic key with the compressed transport key to form a key set;

encrypting the key set to form an encrypted key set;

distributing the encrypted key set across a medium; and

decrypting the encrypted key set to reconstitute the cryptographic key and the transport key;

wherein:

the compressing step is performed by a method of key folding using bit swapping;

most significant bits of each byte in the transport key are discarded; and  
bit positions created by said discarded most significant bits in a given byte are filled with least significant bits from another byte of the transport key.

11. (canceled)

12. (currently amended) ~~The method of claim 1~~ A method for securely distributing a cryptographic key, said method comprising the steps of:

compressing a transport key to form a compressed transport key;

combining the cryptographic key with the compressed transport key to form a key set;

using a One-Time Pad scheme, encrypting the key set to form an encrypted key set;

distributing the encrypted key set across a medium; and

using a One-Time Pad scheme, decrypting the encrypted key set to reconstitute the cryptographic key and the transport key;

wherein the cryptographic key is adapted for use in a One-Time Pad cipher system.

13. through 20. (canceled)

21. (currently amended) ~~The method of claim 20 wherein~~ A method for securely distributing a cryptographic key, said method comprising the steps of:

combining the cryptographic key with a transport key to form a key set;

encrypting the key set to form an encrypted key set;

distributing the encrypted key set across a medium; and

decrypting the encrypted key set to reconstitute the cryptographic key and the transport key;

wherein the encrypting step is performed by a key comprising a transport key from a previous iteration of the method XORed with a conversion key; and

the conversion key is a subset of the cryptographic key.

22. through 25. (canceled)